GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Municipal Administration & Urban Development Department-Tirupati Urban Development Authority (TUDA) - Permission to TUDA to enter into agreement with SPI Cinemas Pvt.Ltd., Chennai for development of Family Entertainment Centre in an extent of Ac.3.72 cents in Sy.No.246/1, near Annamaiah Circle, Tirupati under PPP mode at Annual Lease Rent of Rs.3.265 crores with annual increase of 5% under Land Lease policy for tourism Projects, 2016 on 33 years lease -Accorded-Orders-Issued.

MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (H2) DEPARTMENT

G.O.MS.No. 92 Dated: 08-03-2018

Read the following:

1. G.O.Ms.No.5, YAT&C Department, dated 03.06.2016
2. U.O.Note No.1289/PMU/EO/2015, Dated: 16.02.2017 of Youth Advancement, Tourism and Culture (PMU) Department.
3. Government Letter No.521062/H2/2017-1, Dated:17.03.2017
4. From the Vice Chairman, TUDA, Tirupati, Lr.No.497/G1/2017, Dated:17.04.2017.
5. Government Memo No.521062/H2/2017, Dt.02.06.2017.

****

ORDER:

Whereas in the reference 1st read above, Government as part of development of tourism in the State of Andhra Pradesh, has formulated the Andhra Pradesh Tourism Policy 2015-20 with a view to develop A.P. as one of the most preferred tourist destinations through sustained investments, robust Tourism Infrastructure projects & services and provide world-class diverse tourism experience. As part of Tourism Infrastructure Projects, Hotels (three-star or higher, resorts, Family Entertainment Centres, MICE Centres etc.,) have been identified across the state under Land lease cum development mode to undertake the projects in PPP mode with the maximum land extent up to 10 Acres with the lease tenure up to 33 years.

2. Whereas in the reference 2nd read above, in response to bids called by the Managing Director, Andhra Pradesh Tourism Development Corporation, the SPI Cinamas Pvt., Ltd., Chennai, the successful bidder has quoted Rs.3.265 crores per year to develop Family Entertainment Centre in an extent of Ac.3.72 cents in Sy.No.246/1, near Annamaiah Circle, Tirupati in PPP mode under Land Lease Policy for Tourism Projects on 33 years lease basis.

3. In the reference 3rd read above, the Vice Chairman, Tirupati Urban Development Authority, Tirupati has informed that the subject matter was placed before Tirupati Urban Development Authority Board meeting held on 13.04.2017 and the Tirupati Urban Development Authority Board has in principle agreed for taking up the project and requested the Government to take necessary decision on the said issue before taking up the project.

4. Government after careful examination of the matter, hereby accord permission to the Vice-Chairman, Tirupati Urban Development Authority, Tirupati to enter into agreement with SPI Cinemas Pvt.Ltd., Chennai for development of Family Entertainment Centre in an extent of Ac.3.72 cents in Sy.No.246/1, near Annamaiah Circle, Tirupati under PPP mode at Annual Lease Rent of Rs.3.265 crores with annual increase of 5% under Land Lease –cum- Development model under policy for tourism Projects, 2016 with the following modalities:

i. Payment of Annual Land Lease Rent @ Rs.3.265 Crores for the first year lease.

P.T.O

ii. Lease rent will be enhanced 5% every year against the enhanced Lease rent Year on Year.

iii. The Lease period is 33 years only.

iv. Tirupati Urban Development Authority monitors implementation of the project for the entire lease period.

v. Ownership of land lies with Tirupati Urban Development Authority only.

vi. APTDC shall bear the preliminary expenses, as it has been initiated and processed by the APTDC on its own, as a tourism project.

vii. In addition to the Minimum Development Obligation (MDO) as stipulated in RFP, the developer viz., M/s.SPI Cinemas shall build a three (3) Star Hotel having a minimum of 150 Rooms constructed over a period of time on basis of market demand.

viii. The Land along with buildings will vest back to TUDA after 33 years (i.e., completion of lease period), leaving the whole appreciated value of the land to the Tirupati Urban Development Authority.

ix. Any other conditions stipulated in the RFP.

(BY ORDER AND IN THE NAME OF THE GOVERNMENT OF ANDHRA PRADESH)

R. KARIKAL VALAVEN
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Vice-Chairman, TUDA, Tiruparti.
M/s.SPI Cinemas Pvt.Ltd., Chennai.
The Managing Director, Andhra Pradesh Tourism Development Corporation, Vijayawada.

Copy to:
The District Collector, Chittoor District.
The Commissioner, Tirupati Municipal Corporation, Tirupati.
The Youth Advancement Tourism & Culture Department.
The Director of Town & Country Planning , A.P, Guntur
The Director of Municipal Administration, A.P., Guntur.
The GA (Cabinet) Department
P.S. to Special Chief Secretary to Hon'ble CM
OSD to Hon'ble M(MA&UD)
P.S to Chief Secretary to Government
P.S. to Principal Secretary to Government, MA&UD Dept.
Sf.

// FORWARDED :: BY :: ORDER //

SECTION OFFICER